

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2001-138-C - ORDER NO. 2001-495
MAY 23, 2001

IN RE: Application of BellSouth BSE, Inc. for)	ORDER APPROVING
Flexible Regulations of its Local Service)	FLEXIBLE
Offerings.)	REGULATION OF
)	LOCAL SERVICES

This matter comes before the Public Service Commission of South Carolina ("Commission") on the request of BellSouth BSE, Inc. ("BellSouth BSE" or the "Company") for approval of flexible regulation for its local exchange service offerings. BellSouth BSE requests that its local exchange service offerings be regulated in accordance with procedures authorized for NewSouth Communications in Order No. 98-165, dated December 23, 1997, in Docket No. 97-467-C.

A Notice of Filing regarding the Company's request was published through the Commission's subscription service. No protests or Petitions to Intervene were received regarding BellSouth BSE's request.

The matter now comes before the Commission for disposition. Flexible regulation of local exchange services was first recognized by this Commission by Order No. 98-165 in Docket No. 97-467-C. BellSouth BSE requests that the Commission adopt for its competitive intrastate local exchange services a flexible regulatory treatment as first approved by Order No. 98-165 in Docket No. 97-467-C. This flexible regulatory treatment for competitive local exchange services consists of a rate structure

incorporating maximum rate levels with the flexibility for adjustment below the maximum rate levels. Further, local exchange service tariffs are presumed valid upon filing, subject to the Commission's right within thirty (30) days to institute an investigation of the tariff filing, in which case the tariff filing will be suspended pending further Order of the Commission. Additionally, any company under the flexible regulatory scheme as approved by Order No. 98-165 in Docket No. 97-467-C will be subject to the same monitoring process as similarly situated competitive local exchange carriers.

As the Commission has received no opposition to BellSouth BSE's request, the Commission approves BellSouth BSE's request for flexible regulation of its local exchange service offerings.

IT IS THEREFORE ORDERED THAT:

1. BellSouth BSE's request for flexible regulation of its local exchange service offerings is granted.

2. Under flexible regulation for local exchange service offerings, BellSouth BSE shall file, with the Commission, tariffs which shall include a maximum rate structure. The maximum rate structure, incorporated into the tariff, will allow the flexibility for adjustment of rates below the maximum rate levels. Further, future local exchange service tariff filings will be presumed valid upon filing, subject to the Commission's right within thirty (30) days to institute an investigation of the tariff filing, in which case the tariff filing will be suspended pending further Order of the Commission. Additionally, BellSouth BSE, under the flexible regulatory scheme as

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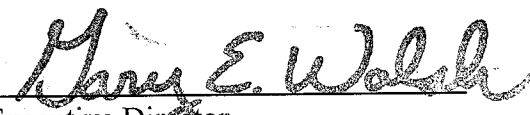
approved by Order No. 98-165 in Docket No. 97-467-C, will be subject to the same monitoring process as similarly situated competitive local exchange carriers.

3. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)